

\$9,500,000 Sold In Stock Fraud; \$5,000 Remains

Gigantic Automobile Securities Swindle by Former Mississippi School Teacher Made 70,000 Victims

Fake "Ads" Were Lures

Pandolfo, Promoter of Pan Motor, Used Ford's Success as Mail Swindle Bait

The National Vigilance Committee of the Associated Advertising Clubs of the World issued a report yesterday on the conviction in the Federal court at Chicago of S. G. Pandolfo, promoter of the Pan Motor Company, for mail fraud.

"It was testified at the trial," says the report, "that approximately \$9,500,000 of the stock of the Pan Motor Company has been sold to more than seventy thousand stockholders, largely through the efforts of 'high pressure' stock salesmen. Notwithstanding the large sum realized from stock sales, the company at the time of the trial (December 6) owed approximately \$250,000 and had but \$5,000 available cash with which to meet this obligation.

"It is difficult to estimate the amount received by Pandolfo personally, as the evidence showed he had made false entries in his books, but as the books

NEW YORK HEADQUARTERS for
Electrical Xmas Tree Outfits
LIONEL MINIATURE RAILWAYS
AND OTHER ELECTRIC SPECIALTIES.

At Last We Have
a Practical X-Mas
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These New Outfits
Eliminate 95% of
X-Mas Tree Light-
ing Troubles.

1. Note how the lamps
are hung out.
2. You may add as
many lamps as you
wish in a few sec-
onds.
3. If one or more
lamps go out the re-
main remain lit.

As these outfits are
made to order, kindly al-
low us ample time if
you desire one.

Pat. Applied For.

We have a larger assortment than ever of
LIONEL MINIATURE RAILWAYS
AT LAST YEAR'S FAIRER.
The following are a few of our Holiday Specials
at greatly reduced prices:

Large size 1000 cars, 1000 engines, 1000
Lionel, all others \$1.50
Small size 500 cars, 500 engines, 500
Lionel, all others \$2.20

Small and Columbia Specials \$2.50 up
to \$5.00. Reduced! Reduced! Reduced!
We are having a special sale on our
Lionel, all others \$1.50 up to \$2.20.
We are having a special sale on our
Lionel, all others \$1.50 up to \$2.20.

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AMERICAN ART GALLERIES
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TO BE SOLD
Tuesday, Dec. 16, at 8 P. M.

Presentation Copies
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The Collection of
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On free view and time of Sale
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The Sale Will be Conducted by
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AMERICAN ART ASSOCIATION,
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AT AUCTION
Artistic Furnishings
Contained in the Residence,
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On the Premises
Tuesday, December 23,
Commencing at 10 A. M.

By direction of the Executor,
to close the estate of the late
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the well known artist and author.
Included are: Examples of
Colonial, Italian &
Empire Furniture,
Oil Paintings and Water Colors
by Arthur Quinley, Louis Amer-
ling, P. Hopkinson Smith and
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Brass Plates, Delft and other Pot-
tery, Porcelain, Carpets, Antiques,
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use and utility.

Sale conducted by the
Fifth Ave. Auction Rooms, Inc.
220-241, Fourth Ave., at 25th St.
HENRY A. HARTMAN, Auctioneer.

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PAWN TICKETS,
diamonds, pearls, jewelry,
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stood they revealed that he received between \$500,000 and \$1,000,000.

Twelve officers and directors of the company were tried with Pandolfo, but were acquitted, although a charge of perjury against H. S. Wigle, a director, is still pending.

Big Sum Offered to Buyers
Pandolfo, according to the vigilance committee, was a Mississippi school teacher, who branched out into insurance and the automobile business, ending with the Pan Motor Company, whose advertising and literature, it is alleged, suggested to prospective stock buyers the corporation's prospects were such that might be the success of Henry Ford, a return of \$25,000,000 to its ground floor stockholders was not inconceivable.

The Vigilance Committee had been on the Pandolfo trail for more than a year.

"Without doubt," its report continues, "the Pan Motor case is the most unique stock fraud in the history of high finance."

"Pandolfo sold his scheme to a town of 15,000 people. He sold his stock to more than seventy thousand people, including representative business men of St. Cloud, Minn., and hard-headed farmers throughout the West. Many of them, including one man who gave up \$24,000, when brought face to face with the facts on which Pandolfo was convicted, still stated that they believed in him and his scheme."

"The plant erected by Pandolfo at St. Cloud, and which was one of his biggest stock selling arguments, is located on a plot covering approximately fifty acres. The buildings are immense. One building was said to be more than six hundred feet long. One of the favorite pastimes of Pan stock salesmen was that of having committees from live neighborhoods visit the plant, then report back to prospective stockholders."

Plant Shown to Victims
"Though the operation of the plant brought losses, not profits, the wheels continued to turn, and the fact the company appeared to be operating was another factor that helped to sell stock. Those who were taken to the plant reported splendid buildings and turning wheels."

"But one witness in the Pandolfo trial put it neatly when he said, in effect, that he had not been interested in seeing the plant—that if he had paid \$2 for a thing, he was not so much interested in whether it was of it went to the purposes intended as he was to know whether some one had stolen the other dollar."

"In literature of the Pan Motor Company, Pandolfo promised 100,000 shares of stock for \$100,000, the first year. He stated that it stood a better chance than the Ford Company in the matter of making money, estimating that Henry Ford produced \$250,000 for every \$100 invested in the Ford enterprise."

"On this basis, if Pandolfo sold all of the stock in the Pan Motor Company, at the price of \$10, the company would have to return to duplicate the Ford feat, \$250,000,000. Incidentally, the price was raised the latter part of 1919 to \$15, and Pandolfo made it a promise to Pandolfo made in his literature to the effect that it would sell for more than \$10 before it was all sold."

Few Real Automobiles Produced
"In the face of this, including cars assembled, cars made for stock selling purposes, and cars made for the company, the Pan Motor Company has produced less than 300 automobiles."

"During the course of the investigation, the committee says, Pandolfo produced a 'write-up' journal, which described him as 'honest to a fault.' Judge Landis, of the United States District Court at St. Paul, Minn., in a recent trial, sent the editor to jail, in default of a \$10,000 bond."

Pandolfo, the committee further said, was noted for his advertising 'teeming with extravagant statements' but used letters of indorsement after they had been repudiated by their writers."

Miracle Play Will
Be Presented in Church

St. George's Parish Will See
Production Given With
Religious Solemnity

A Christmas miracle play will be presented by the parish of St. George's Church and the Educational Dramatic League, of which Mrs. August Belmont is president, December 23, 24 and 30.

This is the beginning of what Mrs. Belmont believes will be a revival of the religious drama throughout the church world, in conjunction with the movement for a more modern church which is one of the results of the war.

"We believe this Christmas play will be used by many churches in coming years, until it rivals in a small way the Oberammergau festival," said Mrs. Belmont. "We believe it will be adopted as a regular part of the churchwork and that children will look forward year by year to the honor of taking part in it."

The play is an adaptation of the old miracle play "Eager Heart," with a prologue between the characters of Time and Eternity.

In the performance at St. George's from behind the scenes. The part of the young girl, "Eager Heart," will be taken by Miss Maudie Birmingham. "Eager Fame" will be Mrs. Beverly Robinson, and "Eager Sense," Miss Eva MacAdoo.

Three choir boys of St. George's will take the part of the angels. Allan Campbell will be the first of the kings. Thomas Safford, organist of St. George's, will direct the music, and Miss Helen Ford, dramatic director of the league, will have charge of the speaking parts.

The performances at St. George's will be free and will be conducted with the same solemnity as a formal religious service. No applause will be permitted. The performances will take place in the chancel of the church, which will be hung with blue velvet curtains, on which an amber light will be thrown during the scene with the Holy Family.

Resume Southern Voyages
United Fruit Service Will Make
Passenger Trips Next Month

The United Fruit Company's passenger fleet will resume its West Indian and Central American voyages early next month, it was announced yesterday. Officials of the company said advance bookings were heavy, thousands of Americans who desire to travel not caring to encounter restrictions existing in Europe.

Two new vessels, the Ulua and the Tolosa, will increase the fleet. They were built at Belfast by Workman, Clark & Co., and are fitted up for the most luxurious travel. Each stateroom is equipped with a private bath, a new feature for steamships.

The Pastores and the Calaneres, requisitioned by the government for transport service during the war, have been refitted. Eleven special cruises have been arranged, covering Havana, Santiago, Port Antonio, Kingston, Panama, Costa Rica and Nassau. There will also be sailings to regular ports of call twice a week.



Mrs. P. E. Van Gogh
She is the wife of the Lieutenant Governor of Djokjakarta, Java, who has been honored by gifts of jewels from the native Sultan. She is the only white woman ever permitted to enter the palace. She and Mr. Van Gogh are in San Francisco on a furlough.

Million Dollar Stadium
Gift for Central Park

Widow of Nautical Inventor
Makes Offer Through
Justice Weeks

A million-dollar athletic stadium, equipped for all sorts of sports, to be constructed on the site of the two old reservoirs in Central Park, has become a probability through the offer of Mrs. Isaac I. Rice, of 12 East Eighty-seventh Street.

Mrs. Rice, widow of a submarine and torpedo boat inventor, conceived the idea from study of selective draft statistics showing the great number of young men who were physically unfit. Originally, the Rice family had planned to use the \$1,000,000 fund to establish a hospital.

Mrs. Rice conferred with Justice Barlow S. Weeks and several other Amateur Athletic Union officials, and they suggested the reservoir site. The matter was then taken up with the Board of Estimate and Apportionment, which referred to the Committee on City Plan and Public Improvements and City Engineer Nelson, who will report on it.

Following this action, Mrs. Rice directed her architect to draw plans embodying the ideas of the A. A. U. officials. The plans, now on view, provide for keeping the present reservoir walls. The main entrance to the stadium would be through an archway on the transverse road at Eighty-sixth Street, thus obviating destruction of park property by crowds going to the games. The plans will not interfere with carrying out the projected John Purroy Mitchell memorial.

Public Market in U. S.
Urged for Foreign Loans

Plan Called Need to Stabilize
International Commerce
and Finance

WASHINGTON, Dec. 13.—Establishment of broad public markets in this country for handling the internal loans of European nations was advocated today by Eugene Meyer, managing director of the war finance corporation as one means of stabilizing international commerce and finance.

"A number of our bankers have been placing the internal loans of England, France, Italy and Belgium with their investment clientele in this country," said Mr. Meyer. "My personal inquiries lead me to believe that much larger amounts of American capital would seek these investments if broad public markets were established in this country for these issues."

"It should be done in my opinion, with the approval of the governments concerned. Thus far most of the foreign financing in this country has been done with dollar obligations or dollar obligations convertible into the foreign currency obligation at a fixed price. Easier mechanism through the public markets would permit many who would like to invest in foreign obligations at the present low levels of exchange to do so."

Armenia Facing Extinction
Need for External Aid Never So
Great, Says Patriarch

WASHINGTON, Dec. 13.—Never has the condition of Armenians been so grave and the need for external aid so great as at present. Miriam Seavaly, representative of the Armenian national delegation in Washington, said today in discussing latest reports from Armenia. He made public a cable message from the Armenian Patriarch Zaven, in Constantinople, stating: "If we do not meet immediately our needs we risk the annihilation of the entire nation."

Mr. Seavaly said another message announced that the efforts made in Europe to obtain financial aid from the Allied powers remain fruitless. A supreme appeal has now been made to the American government, and American friends have been asked for immediate pecuniary help.

Liner Carmania Barely Escaped Big Sea Disaster

Crash With Freightier Off
Cape Race Threatened
Loss of Every Life on
Board for the Moment

HALIFAX, Dec. 13.—Recitals of passengers on the Cunard liner Carmania, which arrived here this morning after being in collision with the American freighter Maryland Wednesday evening off Cape Race, indicate that a marine disaster of serious order was barely averted. The Maryland was heading, however, for the midship section of the Carmania when she loomed up out of the fog and darkness. Only quick maneuvering of both vessels converted the shock into a glancing blow, which smashed in four ports and sheared off rivets and damaged plating on the liner over an area twenty-five feet square.

Temporary repairs, which were made after the collision, were inadequate to keep the liner afloat in the rough weather encountered the following morning, and rooms and corridors were flooded.

Two Suffer from Shock
The principal force of the collision was felt in the class saloon, where two passengers, Elizabeth Aspdon, of New Bedford, Mass., and Elizabeth A. Fitzpatrick, of Pawtucket, R. I., who were in their cabins, directly in the path of the Maryland's bow, when the two vessels crashed, were removed to hospital, but were found to be suffering from shock only.

Most of the third cabin passengers had lined up for an answer to a contest in the dining saloon and were thrown from their feet by the impact. Women became hysterical, several fainted and great excitement prevailed until word came from the bridge that the liner was not seriously injured. First class passengers, who felt the shock to a lesser degree, until in praising the presence of mind of the captain and officers of the Carmania.

"Another minute and every life might have been lost," said Richard Croker, one of the passengers, deploring the quick decisions of the officers.

Three infants born at sea a few days before the accident were given Cunard names.

Wreckage Strews Shores
Wireless stations and rescue ships continue to-day the search of the North Atlantic for ships in distress. The heavy seas that for three days have been driven by a northwest hurricane. The shores are strewn with wreckage. The storm was abating today.

Many ships are in peril. The United States Shipping Board steamer Davidson County, crippled by the loss of her propeller, was drifting east at noon today in the gale 480 miles south of Cape Race. Tophis, which spread a leak yesterday when sent to assist Davidson County, and which was forced to return to port.

The British steamer Sheba, the former German steamer Hermine, now under British registry, and the steamer Chetopa were last reported virtually at the mercy of the seas and in need of immediate assistance.

United States Shipping Board steamers Lake Galewood and Lake Elmsdale are ashore at Port Hood Island and Blue Caps, respectively, and the American ship, the Columbia, owned by J. M. Nicholson, are beached in Hughes Arm, Newfoundland. The steamer E. D. Kingsley, bound from Montreal to Halifax, went ashore yesterday at the entrance to White Head Harbor, but was floated again to-day and made this port under own steam.

A radio message from the Italian steamer Angelo Tosi, today reported damage to her rudder and asked for a tug. She was expected to reach here late today.

The steamer Pro Patria, which had drifted fourteen hours in the gale, because of engine trouble, arrived at North Sydney to-day under her own steam after a trip of 70 hours from St. Pierre.

Columbia Adopts "Live
Near University Rule"

Movement Started by Students
Will Not Be Compulsory,
Trustees Announce

A movement begun by students of Columbia College to increase the number of undergraduates living near the university has been sanctioned by the board of trustees, it was announced yesterday.

The rule will not be compulsory, according to the announcement of the university, although student opinion favored such action and recommendations it to the college committee. The latter, however, after consideration of the problem, altered the rule to make it optional.

The college has no intention of making the rule compulsory, according to Dean Herbert E. Hawkes. "However, for two very good reasons," he said, "we feel that students who wish to live in dormitories or near the college campus should do so."

"First, we believe that a student who is commuting to college from a point as far distant as Newburgh is not able to get the full value from his studies and that he daily expends energy in his traveling which could be spent with better advantage at the college."

"Second, the faculty and administrative officers hope, by having a large number of students in residence close to the campus, to establish a nucleus for undergraduate activities, which are so important a part of college life."

Hartley and Farnald halls, the latter of which is now occupied by graduate women students, will be used by the women students. The women students will be taken care of in the apartment houses recently purchased by the university, the Hampden Hall and Rugby Hall. Livingston Hall will continue to be occupied by graduate men students.

To-morrow Last Day
To Pay Federal Taxes

Collector Edwards Reports New
Yorkers Are Not Trying to
Dodge Paying Dues

The time limit for payment of the final installments of Federal income and profit taxes expires to-morrow, but William H. Edwards, Internal Revenue Collector for the Second District, said yesterday that checks mailed before midnight will be accepted as of December 15, without penalty. So far, he added, there had been little evidence of efforts to evade paying the government its due.

Mr. Edwards estimates that the total revenue from income and profits taxes in the Second District, which embraces Wall Street, will approximate \$1,000,000. He would not venture a prediction whether taxes to be collected next year will increase and profits during the last twelve months would approach this figure.

"The normal tax rate for 1918 was 6

per cent on the first \$4,000 of income, above the usual exemptions, and 12 per cent on the remaining net," he said. "During the coming year collections of taxes for 1919 will be on the basis of 4 per cent on the first \$4,000 above the exemptions and 8 per cent on the remaining net income. It is obvious, therefore, that if the tax receipts prove equal to those for 1918 the incomes derived during the last twelve months must be much larger."

Mr. Edwards said business houses and the big financial institutions had been figuring taxes all year and most of them, in consequence, would have their reports ready by the end of the year.

Cotton Exports Heavy
Total Equals Aggregate of Pre-
vious Three Months

WASHINGTON, Dec. 13.—Exports of cotton were unusually heavy during November, amounting to 924,731 bales; the monthly report of the Census Bureau to-day showed. This total equaled the aggregate of the previous three months and was approximately equal to exports before the war.

Domestic consumption showed an increase of 35,000 bales over November a year ago.

Cotton consumed during November amounted to 490,098 running bales, of lint, and 25,132 bales of linters, the Census Bureau announced to-day. During November a year ago consumption was 455,611 bales of lint and 63,368 of linters.

Aeolian Hall Is Crowded
At Gabriilowitch Recital

Pianist Pleases, but for Once
Leaves Hearers Unstirred;
Boy, 8, Plays in Evening

There were two piano recitals yesterday at Aeolian Hall. In the afternoon Ossip Gabriilowitch played pieces by Handel, Scarlatti, Mendelssohn, Schumann, Gabriilowitch and Liszt, with Beethoven's Sonata, Op. 10, in D major, as the pièce de résistance. This program was much lighter than those usually given by Mr. Gabriilowitch.

The absence of Chopin numbers was a disappointment. In fact, had it not been for the piece added to the program as encores, the huge audience which crowded the seats in the hall and overflowed onto the stage might justly have considered the fare meager.

It is an easy matter for Mr. Gabriilowitch to play romantically. This he contented himself with doing. Except in the Sonata, and in the Schumann pieces, "Evening," "Whims," "Why" and "Soaring," there were few occasions when the music afforded inspiration to touch the heights. And so, while Mr. Gabriilowitch pleased, he left his hearers for once unexcited.

In the evening the second child pianist of the week, little Jerome Rappaport, eight, played pieces by Bach, Grieg, Scarlatti, Dacuin and other composers. He did not attempt any piece beyond his powers, and his modest and engaging behavior helped to create a pleasant impression.

Duchess Adelaide Shuns Her
Sister Bride, Now on Trip

GENEVA, Dec. 13.—Prince Felix of Bourbon-Parma and Grand Duchess Charlotte of Luxembourg, who were married recently and who have been spending their honeymoon at Locmarne, arrived here yesterday. They will visit the former Emperor and Empress of Austria later.

Grand Duchess Marie Adelaide, who abdicated as head of the Luxembourg government, and who is a Germanophile, has left Luxembourg for Rome. It is said she undertook the trip to avoid meeting her sister.

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Old Red Star Line Service, Halted By War, Resumed

Lapland, Newest Vessel of
Fleet, Departs on First
Trip to Antwerp Since
1914; 2,595 Passengers

The old Red Star Line service which was suspended when the Germans started offensive operations by land and sea against Antwerp was resumed yesterday with the departure of the steamship Lapland, the newest vessel of the fleet, which had been transferred to the White Star Line for the duration of the war. She will call at Plymouth and Cherbourg on her journey to Antwerp. The big liner was laden to capacity with travelers, her complement being 305 first, 390 second and 1,900 steerage passengers.

Among the saloon passengers were: Colonel Leon Osterle, of the Belgian legation in Washington; Countess Marie de Liedekerke, of the Mauve Cross Society of Belgium; Monsignor W. H. Nolens, George Herbert Peris and Captain William J. Roberts.

One of the passengers was Master Frank Emory, son of San Francisco, who is traveling alone on a trip to London, where he will live with his grandmother. His father is employed by the Victoria Hotel in San Francisco.

The French liner La Lorraine, for Havre, which carried 900 passengers, was detained half an hour, awaiting the arrival of Captain Henry L. Walton, U. S. A., who was late in coming from Washington.

He was sent abroad hurriedly on a mission for the War Department and a request was made that the vessel be held for him.

Among the saloon passengers were Alfred Lotard, managing director of a condensed milk company, who went abroad to inspect the company's plants in Europe.

On the steamship Santa Ana, which arrived here yesterday from the west coast for the second time, was the captain, with ninety passengers, were three Chilean delegates to the Pan-American Financial Conference at Washington. They were Luis Isquierdo, Arturo Lamarto, and Samuel Claro.

Refuses \$2,740,228
For Dayton-Wright Plant

House Passes Bill Expanding
\$6,000,000 at Army Camps
and Air Fields

WASHINGTON, Dec. 13.—The provision in the army camp appropriation bill for purchase of the Dayton-Wright airplane plant and adjoining fields at Dayton, Ohio, for \$2,740,228, finally was eliminated to-day by the House, which voted, 159 to 152, to confirm its previous tentative action.

After elimination of this section the House passed the bill, which authorizes expenditures of \$5,000,000 at more than thirty army camps and aviation fields. Most of the money is to be complete land purchases.

The largest item is \$1,804,300, for purchase of the Curtiss Elmwood airplane plant at Buffalo. Other large expenditures included \$886,338 at Camp Knox, Ky.

Abandonment of Camps Taylor, Kentucky; Gordon, Georgia, and Eustis, Virginia, is ordered, but the salvaging of the Kentucky camp is to be delayed until Camp Knox can be enlarged to accommodate the artillery school at Camp Taylor.

Parson Draws on Trust Com-
pany to Pay Last U. S. Levy

MINEOLA, L. I., Dec.